

**Minutes of the Finance Committee**  
**Wednesday, October 8, 2014**

Chair Heinrich called the meeting to order at 8:30 a.m.

**Present:** Supervisors Jim Heinrich, Larry Nelson, Duane Paulson, Richard Morris, Steve Whittow, Bill Zaborowski, and Eric Highum.

**Also Present:** Chief of Staff Mark Mader, Budget Specialist Bill Duckwitz, Administration Director Norm Cummings, Budget Manager Linda Witkowski, Accounting Services Manager Larry Dahl, Risk/Purchasing Manager Laura Stauffer, Senior Buyer Catherine Martin, Business Services & Collections Manager Andy Thelke, Information Technology Manager Mike Biagioli, and Senior Financial Analysts Clara Daniels, Linda Hein, and Aaron Daul. Recorded by Mary Pedersen, County Board Office.

**Approve Minutes of September 17**

MOTION: Zaborowski moved, second by Highum to approve the minutes of September 17. An amendment was made at Highum's request. Motion carried 7-0 as amended.

**Schedule Next Meeting Dates**

- October 14 (all day) & 15 (morning only)

**Chair's Executive Committee Report of September 22 & October 6**

Heinrich and Mader highlighted the following items discussed at the last two Executive Committee meetings.

- Internal Audit Manager Lori Schubert reviewed the change orders audit of the new Health & Human Services Building.
- Approved ordinance 169-O-056 authorizing a one-time adjustment to the library distribution formula due to the dissolution of the Sussex-Lisbon Library Agreement.
- Heard an update on management of Waukesha County's Revolving Loan Program.
- Heard a report on the Wisconsin Counties Association (WCA) annual conference.
- Reviewed and approved the Capital Projects Plan.
- Reviewed and approved proposed 2015 operating budgets for UW-Extension, Federated Library, and Non-Departmental.
- Considered sale values for County-owned foreclosed properties.

**2015 Budget Overview and Five-Year Financial Forecast**

Cummings, Witkowski, and Duckwitz were present to discuss this item. Copies of "Five-Year Financial Forecast 2015-2019" prepared by Administration staff were distributed and included information on long term strategic financial planning, internal and external forecasts, five-year operating budget gap projections, expenditure and revenue projections per department, and funding shortfall projections.

Cummings discussed the external environment and said we will continue to see moderate economic recovery. Low interest rates are expected to continue and moderate inflation is for the short-term. New construction is projected to increase 1%, 1.25%, 1.5%, 1.75%, and 2% for years 2015 through 2019 respectively. We can expect federal and state revenues to decrease somewhat or remain flat 2015 through 2019. The 2015 budget includes a 3.1% increase.

Cummings discussed the internal environment and indicated salary costs are expected to increase 2.3%, 3%, 3.3%, 3%, and 3% for 2015 through 2019 respectively. Health insurance is expected to increase 1% in 2015 and 3% in 2016 through 2019. The Debt Service plan includes \$10 million issue annually for capital budgets 2015 through 2017 and increasing \$14 million annually in 2018 and 2019 to correspond with new construction of new courtroom facilities (first stage of the courtroom project: \$36.4 million in 2017-2020). The 2015 Capital budget is reduced \$12.5 million in the forecast mostly related to the collaborative Materials Recycling Facility (MRF) and Countywide digital radio system upgrade capital projects. The increase in out years is related to the Courthouse project.

#### **Contract Procurement Process for Cafeteria Services and Vending Services**

Stauffer, Greco, and Martin were present to discuss this item. Stauffer advised the five-year contract for cafeteria services was awarded to Lynn's Catering, the highest rated proposer, with revenues to the County totaling \$61,238 over five years. Three vendors submitted proposals for consideration. She indicated the 5-year contract for vending services was awarded to Canteen Vending, the highest rated proposer, with revenues to the County totaling \$383,312 over five years. Three vendors submitted proposals for consideration.

To answer Heinrich's question, Highum, a member of the RFP Committee, said the process was quite thorough.

MOTION: Whittow moved, second by Zaborowski to approve the contract procurement process for cafeteria services. Motion carried 7-0.

MOTION: Whittow moved, second by Morris to approve the contract procurement process for vending services. Motion carried 7-0.

#### **Discuss and Consider the 2015 Operating Budget for the Department of Administration**

Cummings, Thelke, Biagioli, Dahl, Witkowski, and Stauffer discussed the 2015 operating budget for the Department of Administration including revenues and expenditures, the positions summary, current capital projects, fund purpose, and strategic outcomes and objectives. Also discussed were PowerPoint pages pertaining to Department of Administration tax levy history, 2015 General Fund and non-proprietary EUTF tax levy analysis, 2015 General Fund objectives, and program highlights.

For 2015, revenues total \$12,657,807 – an increase of \$138,013 or 1.1% from the adopted 2014 budget. The County tax levy totals \$4,690,854 – a decrease of \$2,000 or 0.0%. Expenditures total \$17,368,768 – an increase of \$99,142 or 0.6%. The positions summary shows a decrease of 1.83 full-time equivalent positions for a total of 103.03.

No major concerns were voiced pertaining to this budget.

MOTION: Paulson moved, second by Morris to tentatively approve the 2015 operating budget for the Department of Administration. Motion carried 7-0.

MOTION: Paulson moved, second by Highum to adjourn at 10:56 a.m. Motion carried 7-0.

Respectfully submitted,

William J. Zaborowski  
Secretary